SOLIDUS GOLD INC.

UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

FOR THE THREE MONTHS ENDED

JUNE 30, 2022 AND 2021

SOLIDUSGOLD INC.

NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCIAL STATEMENTS

Under National Instrument 51-102, Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of the interim financial statements, they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor.

The accompanying unaudited condensed consolidated interim financial statements of the Company have been prepared by management and approved by the Audit Committee and Board of Directors of the Company.

The Company's independent auditors have not performed a review of these condensed consolidated interim financial statements in accordance with the standards established by CPA Canada for a review of interim financial statements by an entity's auditors.

SOLIDUSGOLD INC.

UNAUDITED CONDENSED CONSOLIDATED INTERIM STATEMENTS OF FINANCIAL POSITION

AS AT JUNE 30, 2022 AND MARCH 31, 2022

(Expressed in Canadian Dollars)

ASSETS		**June 30, 2022 (unaudited)**		**March 31, 2022 (audited)**
Current				
Cash	$	410,954	$	352,100
Short-term investment		5,350		5,350
Amounts receivable		9,582		7,600
Prepaid expenses		4,898		9,598
		430,784		374,648
Exploration and evaluation assets (Note 3)		41,854		41,854
	$	472,638	$	416,502
LIABILITIES				
Current				
Accounts payable and accrued liabilities (Note 6)	$	797,897	$	771,544
EQUITY				
Share capital (Note 4)		3,681,034		3,681,034
Share to be issued (Note 10)		100,000		-
Share-based payment reserves		271,605		271,605
Deficit		(4,377,898)		(4,307,681)
		325,259		(355,042)
	$	472,638	$	416,502

CORPORATE INFORMATION AND NATURE OF CONTINUANCE OF OPERATIONS (Notes 1 and 2(c))

Approved by the Board of Directors on August 16, 2022

"Raj Chowdhry"	*"Rick Van Nieuwenhuyse"*
Raj Chowdhry, Director	Rick Van Nieuwenhuyse, Director

(The accompanying notes are an integral part of these unaudited condensed consolidated interim financial statements)

SOLIDUSGOLD INC.

UNAUDITED CONDENSED CONSOLIDATED INTERIM STATEMENTS OF COMPREHENSIVE LOSS

FOR THE THREE MONTHS ENDED JUNE 30, 2022 AND 2021

(Expressed in Canadian Dollars)

		2022		**2021**
EXPENSES				
Professional and consulting fees (Note 6)	$	10,791	$	7,338
Office, administration and miscellaneous		7,816		4,979
Management fees (Note 6)		15,000		15,000
Regulatory and transfer agent fees		25,275		2,500
Listing costs (Note 10)		8,811		-
Foreign exchange loss		2,385		4
Interest and bank charges		139		108
NET LOSS AND COMPREHENSIVE LOSS	$	(70,217)	$	(29,929)
LOSS PER SHARE – BASIC AND DILUTED (Note 9)	$	(0.00)	$	(0.00)
WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING		60,572,369		60,572,369

(The accompanying notes are an integral part of these unaudited condensed consolidated interim financial statements)

SOLIDUSGOLD INC.

UNAUDITED CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS

FOR THE THREE MONTHS ENDED JUNE 30, 2022 AND 2021

(Expressed in Canadian Dollars)

		2022		**2021**
CASH PROVIDED BY (USED IN):				
OPERATING ACTIVITIES				
Net loss for the period	$	(70,217)	$	(29,929)
Changes in non-cash working capital balances:				
Amounts receivable		(1,981)		(58)
Prepaid expenses		4,700		4,800
Accounts payable and accrued liabilities		26,352		16,773
Cash used in operating activities		(41,146)		(8,414)
FINANCING ACTIVITIES				
Shares to be issued		100,000		-
Cash from financing activities		100,000		-
CHANGE IN CASH DURING THE PERIOD		58,854		(8,414)
CASH, BEGINNING OF PERIOD		352,100		516,520
CASH, END OF PERIOD	$	410,954	$	508,106

SUPPLEMENTAL CASH DISCLOSURES				
Interest paid	$	-	$	-
Income taxes paid	$	-	$	-

(The accompanying notes are an integral part of these condensed consolidated interim financial statements)

(Expressed in Canadian Dollars)

	Common Shares		Share funds received in advance	Share-based payment reserves	Deficit	Total
	Number of Shares	Amount				
Balances at April 1, 2021	62,398,974	$ 3,681,034	$ -	$ 271,605	$ (3,658,525)	$ 294,114
Net loss and comprehensive loss	-	-		-	(29,929)	(29,929)
Balances as at June 30, 2021	62,398,974	$ 3,681,034	$ -	$ 271,605	$ (3,688,454)	$ 264,185

	Common Shares		Share funds received in advance	Share-based payment reserves	Deficit	Total
	Number of Shares	Amount				
Balances at April 1, 2021	62,398,974	$ 3,681,034	$ -	$ 271,605	$ (4,307,681)	$ (355,042)
Share funds received in advance	-	-	100,000	-	-	100,000
Net loss and comprehensive loss	-	-	-	-	(70,217)	(70,217)
Balances as at June 30, 2021	62,398,974	$ 3,681,034	$ 100,000	$ 271,605	$ (4,377,898)	$ (325,259)

(The accompanying notes are an integral part of these unaudited condensed consolidated interim financial statements)

1. CORPORATE INFORMATION AND NATURE OF CONTINUANCE OF OPERATIONS

SolidusGold Inc. (the "Company") was incorporated on April 13, 2011 under the laws of British Columbia under the name of "Mantra Capital Inc.". On September 4, 2014 the Company changed its name to SolidusGold Inc. and commenced trading on the TSX Venture Exchange ("TSX-V") under the new symbol of "SDC". The address of the Company's corporate office and its principal place of business is 10th Floor, 595 Howe Street, Vancouver, British Columbia, V6C 2T5, Canada.

At June 30, 2022, the Company had not yet determined whether its property contains ore reserves that are economically recoverable. The recoverability of amounts shown for exploration and evaluation assets is dependent upon the discovery of economically recoverable reserves, confirmation of the Company's interest in the underlying mineral claims, the ability of the Company to obtain necessary financing to complete the development, and upon future profitable production or proceeds from the disposition of the resource property. The outcome of these matters cannot be predicted at this time and the uncertainties cast significant doubt upon the Company's ability to continue as a going concern.

These interim condensed consolidated financial statements do not give effect to any adjustments which would be necessary should the Company be unable to continue as a going concern and therefore be required to realize its assets and discharge its liabilities in other than the normal course of business and at amounts different from those reflected in these financial statements.

During March 2020, the World Health Organization declared COVID-19 a global pandemic. This contagious disease outbreak and any related adverse public health developments, has adversely affected workforces, economies, and financial markets globally, leading to an economic downturn. The impact on the Company is not currently determinable, but management continues to monitor the situation.

2. SIGNIFICANT ACCOUNTING POLICIES

a) Statement of compliance

These condensed consolidated interim financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"), including IAS 34 – *Interim Financial Reporting.* For these purposes, IFRS comprise the standards issued by the International Accounting Standards Board ("IASB") and interpretations issued by the International Financial Reporting Interpretations Committee ("IFRIC").

The accounting policies applied in these interim condensed financial statements are consistent with those applied in the preparation of, and disclosed in, the Company's audited annual consolidated financial statements for the year ended March 31, 2022.

b) Basis of presentation

These condensed consolidated interim financial statements include the assets and operations of the Company and its wholly owned subsidiaries, Solidus Holdings Inc. ("Solidus Holdings") and SolidusGold US Inc. ("Solidus US"). Solidus Holdings was incorporated on October 30, 2014 under the British Columbia Business Corporations Act. Solidus US was incorporated on July 15, 2014 in Nevada, USA. All significant inter-company balances and transactions have been eliminated upon consolidation.

The condensed consolidated interim financial statements have been prepared on the historical cost basis, with the exception of financial instruments which are measured at fair value, as explained in the accounting policies set out below. In addition, these financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

(Expressed in Canadian Dollars)

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

c) Going concern

These condensed consolidated interim financial statements are prepared on a going concern basis, which assumes that the Company will continue its operations for a reasonable period of time. The Company has incurred losses since its inception and had an accumulated deficit of $4,377,898 as at June 30, 2022. Management has determined that the Company will be able to continue as a going concern for a reasonable period of time, and realize its assets and discharge its liabilities and commitments in the normal course of business.

d) Adoption of new or amended accounting standards

The Company has performed an assessment of new standards issued by the IASB that are not yert effective. The Company has assessed that the impact of adopting these accounting standards on its financial statements would not be significant.

3. EXPLORATION AND EVALUATION ASSETS

Expenditure for the three months ended June 30, 2022 and the year ended March 31, 2022 are as follows:

		April 1, 2022		**Acquisition Costs**		**June 30, 2022**
Honeymoon	$	41,854	$	-		41,854
Total	$	41,854	$	-	$	41,854

		April 1, 2021		**Acquisition Costs**		**March 31, 2022**
Honeymoon		41,854		-		41,854
Total	$	41,854	$	-	$	41,854

During the three months ended June 30, 2022 and 2021, the Company did not incur any exploration costs.

Honeymoon Property

The Honeymoon Property is an early stage gold-silver-copper property located on the west side of Adams Lake, British Columbia and is comprised of 4 claim blocks for a total of 3,415 hectares.

On May 27, 2015, the Company and the Optionor mutually cancelled the previous agreement and concurrently entered into a purchase and sale agreement for an undivided 100% right, title and interest in and to the Honeymoon Property. Pursuant to the terms of the sale and purchase agreement the Company agreed to pay $3,500 and issue 70,000 common shares (issued) as consideration for the property.

The Optionor will retain a 0.5% Net Smelter Returns royalty on the property and the royalty may be purchased by the Company at any time for $1,500,000.

(Expressed in Canadian Dollars)

4. SHARE CAPITAL

a) Authorized:

The Company is authorized to issue an unlimited number of common shares without par value.

b) Issued and Outstanding as at June 30, 2022: 62,398,974 (June 30, 2021: 62,398,974) common shares.

Warrants

The following table summarizes the continuity of the Company's warrants:

Exercise Price	**April 1, 2022**	**Issued**	**Expired**	**June 30, 2022**	**Expiry Date**
$0.12	6,667,109	-	-	6,667,109	October 8, 2022
	6,667,109	-	-	6,667,109	

Exercise Price	**April 1, 2021**	**Issued**	**Expired**	**March 31, 2022**	**Expiry Date**
$0.12	6,667,109	-	-	6,667,109	October 8, 2022
	6,667,109	-	-	6,667,109	

As at June 30, 2022, the Company had 6,667,109 warrants outstanding with and exercise price of $0.12 for a period of two (2) years after issuance. (2021: 6,667,109).

5. STOCK OPTION PLAN AND SHARE-BASED PAYMENTS

On July 8, 2011, the Company adopted an incentive stock option plan (the "Option Plan") which provides that the Board of Directors of the Company may from time to time, in its discretion, and in accordance with TSX-V regulations, grant to directors, officers, employees and consultants non-transferable options to purchase common shares, provided that the number of common shares reserved for issuance will not exceed 10% of the issued and outstanding common shares at the time of the grant. Such options will be exercisable for a period of up to ten years from the date of grant. Vesting terms will be determined at the time of grant by the Board of Directors.

	Number of options	**Weighted average exercise price**
Balance, April 1, 2021	2,355,000	$ 0.06
Expired	-	-
Balance, March 31 and June 30, 2022	2,355,000	$ 0.06

(Expressed in Canadian Dollars)

6. RELATED PARTY BALANCES AND TRANSACTIONS

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

The Company had the following related party balances at June 30:

		2022		2021
Due to MA2 Capital Inc.	$	270,000	$	205,000
Due to Sandfire America Resources Inc.		-		19,153
Due to Chief Financial Officer		55,113		35,013
Due to former Chief Executive Officer (“CEO”)		15,000		15,000
Total due to related parties	$	340,113	$	274,166

MA2 Capital Inc. is controlled by the current CEO. Sandfire America Resources Inc. was formerly related by common directors.

The amounts due to related parties were incurred in the normal course of business and have been included in accounts payable. The balances are non-interest bearing, unsecured and are due on demand.

Key management personnel receive compensation in the form of short-term employee benefits, share-based payments, and post-employment benefits. Key management personnel include the Chief Executive Officer, Chief Financial Officer, and directors of the Company. The remuneration of key management is as follows:

		2022		2021
Management fees	$	15,000	$	15,000
Consulting fees		4,700		4,725
Total remuneration	$	19,700	$	19,725

7. MANAGEMENT OF CAPITAL

The Company’s objectives when managing capital are to safeguard the Company’s ability to continue as a going concern in order to pursue the sourcing and exploration of its resource properties. The Company does not have any externally imposed capital requirements to which it is subject.

The Company considers the aggregate of its share capital, contributed surplus and deficit as capital. The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares or dispose of assets or adjust the amount of cash.

The Company’s investment policy is to invest its cash in investment instruments in large financial institutions with terms to maturity selected with regards to the expected time of expenditures from continuing operations.

(Expressed in Canadian Dollars)

8. FINANCIAL INSTRUMENTS AND FINANCIAL RISK

International Financial Reporting Standards 7, *Financial Instruments: Disclosures*, establishes a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 - inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3 - inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Fair Value of Financial Instruments

The Company's financial assets include cash and short-term investment and are classified as Level 1. The carrying value of these instruments approximates their fair values due to the relatively short periods of maturity of these instruments.

Assets measured at fair value on a recurring basis were presented on the Company's statements of financial position are as follows:

	Fair Value Measurements Using			
	Quoted Prices in Active Markets For Identical Instruments (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
June 30, 2022:				
Cash	$ 410,954	$ –	$ –	$ 410,954
Short-term investment	5,350	–	–	5,350
March 31, 2022:				
Cash	$ 352,100	$ –	$ –	$ 352,100
Short-term investment	5,350	–	–	5,350

Fair value

The fair value of the Company's financial instruments approximates their carrying value as at June 30, 2022 and March 31, 2022 because of the demand nature or short-term maturity of these instruments.

Financial risk management objectives and policies

The Company's risk associated with its financial instruments and the policies on how to mitigate these risks are set out below. Management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

(i) *Currency risk*

The Company has operations in the United States which are transacted into U.S. dollars. Accordingly, the Company is exposed to foreign exchange risk with respect to these transactions. The Company has not undertaken hedging activities to mitigate this risk.

The Company does not have any significant foreign currency denominated monetary liabilities.

8. FINANCIAL INSTRUMENTS AND FINANCIAL RISK (continued)

(ii) *Interest rate risk*

The Company is exposed to interest rate risk on the variable rate of interest earned on bank deposits. The fair value interest rate risk on bank deposits is insignificant as the deposits are short-term.

The Company has not entered into any derivative instruments to manage interest rate fluctuations.

(iii) *Credit risk*

Credit risk is the risk of an unexpected loss if a customer or third party to a financial instrument fails to meet its contractual obligations.

(iv) *Liquidity risk*

In the management of liquidity risk of the Company, the Company maintains a balance between continuity of funding and the flexibility through the use of borrowings. Management closely monitors the liquidity position and expects to have adequate sources of funding to finance the Company's projects and operations. As at June 30, 2022, the Company had working capital deficit of $367,113. As at June 30, 2022, the Company had cash and short-term investment of $416,304 to settle accounts payable of $797,987 which fall due for payment within twelve months of the financial position date.

9. BASIC AND DILUTED LOSS PER SHARE

The calculation of basic and diluted loss per share for the periods ended June 30, 2022 and 2021 was based on the loss attributable to common shareholders of $70,217 (2021 – $29,929) and the weighted average number of common shares outstanding of 62,398,974 (2021 – 62,398,974). Stock options of 2,355,000 outstanding at June 30, 2022 were not included in the diluted loss per share calculation as the effect is anti-dilutive.

10. PROPOSED TRANSACTION AND PRIVATE PLACEMENT

On February 8, 2022, the Company entered into a definitive business combination agreement whereby the Company will acquire all the issued and outstanding securities of Valhalla Metals Inc. ("Valhalla") by way of a share exchange.

Upon successful completion of the acquisition of the securities of Valhalla (the "Transaction"), it is anticipated that the Company will maintain its listing as a Tier 2 Mining issuer on the TSX Venture Exchange ("TSX-V") and will carry on the combined business of the Company and Valhalla (the "Resulting Issuer"). The Transaction would constitute a 'reverse takeover' of the Company. Following completion of the Transaction but prior to the completion of any concurrent private placement as discussed below, shareholders of the Company would hold approximately 20% of the Resulting Issuer with shareholders of Valhalla holding the remaining 80%.

Pursuant to the Transaction, the Company expects to consolidate its common shares on a five old for one new basis prior to issuing approximately 50,000,000 post-consolidation common shares ("Solidus Shares") to the holders of common shares in the capital of Valhalla ("Valhalla Shares"), with such Solidus Shares being issued to the Valhalla shareholders on a *pro rata* basis. The Company also intends to change its name to Valhalla Metals Inc. and alter its articles to re-designate its common shares as subordinate voting shares ("Subordinate Voting Shares") and to create a new class of multiple voting shares.

10. PROPOSED TRANSACTION AND PRIVATE PLACEMENT (continued)

No finder's fees are expected to be payable in connection with the Transaction.

The Transaction is subject to a number of terms and conditions (including warranties, conditions and covenants typical for a transaction of this nature), and the approval of the TSX-V and other applicable regulatory authorities.

Trading in the Company's common shares are halted pending the satisfaction of all applicable requirements. There can be no assurance that trading of the Company's common shares will resume prior to the completion of the Transaction.

In connection with the Transaction, Marubeni Metals & Minerals (Canada), Inc., a wholly owned subsidiary of Marubeni Corporation ("Marubeni"), has agreed to make a strategic equity investment by way of private placement of up to $10 million in Subordinate Voting Shares at a price of $0.50 per share on a post-consolidated basis. Further to Marubeni's investment and as part of the Transaction, as disclosed in the Company's New Release dated June 20, 2022, the Company intends to complete a Non-Brokered private placement of a minimum gross proceeds of $2 million and a maximum gross proceeds of $10 million at a price of $0.50 per share on a post-consolidation basis. The closing on of the Non-Brokered Offering is expected to occur on or before September 16, 2022 and is subject to the completion of formal documentation and receipt of all applicable regulatory approvals, including the approval of the TSX Venture Exchange. The net proceeds from the Non-Brokered Offering will be used for exploration of the Company's asset in Alaska and for general corporate purposes.

During the period ended June 30, 2022, the Company received $100,000 related to the private placement.